

## How do I participate in the GIC Flexible Spending Account (FSA) Programs?

You can sign up to participate in these programs during the GIC's FSA open enrollment period: October 14 – December 5, 2014. New state employees and employees with a qualifying status change can enroll during the year.

**Everything you need to participate is on ASIFlex's website: [www.asiflex.com/gic](http://www.asiflex.com/gic):**

- The status of your account and your claims history
- Reimbursement claim form
- Details on the Health Care FSA Debit Card
- Instructions for online re-enrollment (current participants only)
- Eligible expenses and relevant IRS information

## How do I contribute to my FSA?

Once you make your annual election, your payroll office will deduct this amount from your pay in equal amounts throughout the year.

### QUESTIONS?

**Contact ASIFlex  
1.800.659.3035**

## How do I get reimbursed?

Use your Health Care FSA Debit Card to pay for eligible health care purchases; the funds are automatically deducted from your HCSA.

Or pay for eligible expenses out of your own pocket, and then send via mobile app, fax or mail a reimbursement request with the appropriate documentation to ASIFlex. Your request will be processed promptly and you will be reimbursed either through direct deposit into your checking or savings account, or by mailed check, depending on how you have requested to be reimbursed.

### The Health Care FSA Debit Card:

- Offers easy access to HCSA account funds.
- Eliminates the hassle of filling out reimbursement claim forms.
- Works like a credit card, only the funds are deducted from your HCSA.
- Updates your account balance and transaction history online.

You'll automatically receive a set of two Health Care FSA Debit Cards free of charge when you enroll in the GIC's HCSA.

**Note:** you can request additional sets of cards at \$5 each for any additional dependents. Details will be provided during enrollment. It's a great way to ensure that all family members have access to Health Care Spending Account funds when needed.

This brochure provides an overview of the Group Insurance Commission (GIC) FSA program, administered by ASIFlex, and is not inclusive, nor a guarantee of eligibility or payment. Please see the GIC FSA Plan handbook for detailed information.

# GIC Flexible Spending Account Programs

*Don't miss out on saving money on out-of-pocket medical and dependent care expenses. State employees save on average \$250 for every \$1,000 contributed!*



**Commonwealth of Massachusetts  
Group Insurance Commission**



# GIC FLEXIBLE SPENDING ACCOUNTS (FSAs):

**The Group Insurance Commission (GIC) offers two pre-tax programs, administered by ASIFlex, to help reduce your federal and state taxes.**

Each program is specialized to help meet your specific needs. By using money set aside on a pre-tax basis, you can use these FSAs to help pay for qualified health care and dependent care expenses.

The two types of FSAs:

- The Health Care Spending Account (HCSA) is for out-of-pocket health care expenses not covered by insurance.
- The Dependent Care Assistance Program (DCAP) is for day care and after school care expenses to enable you to work.

## How will a Flexible Spending Account help me save on taxes?

A FSA allows you to set aside money for eligible expenses before your employer deducts taxes from your paycheck. This means the amount of income your taxes are based on will be lower.

**Here's an example:**

| Annual Savings Example*   | With FSA     | Without FSA |
|---|--------------|-------------|
| Annual Income   | \$50,000     | \$50,000    |
| Annual Pre-Tax FSA Contribution   | – \$2,000    | – \$0       |
| Annual Taxable Income   | = \$48,000   | = \$50,000  |
| Annual Tax Withholdings<br>(approximately 25% of the annual taxable income)                         | \$12,000     | \$12,500    |
| <b>TOTAL ANNUAL SAVINGS</b><br>(approximately \$250 for every \$1,000 withheld in the FSA per year) | <b>\$500</b> | <b>\$0</b>  |

\* Sample tax savings for a single taxpayer with no dependents. Actual savings will vary based on your individual tax situation. Please consult a tax professional for more information.

## How much should I contribute to my FSA?

Since the contributions are unique to your health care and dependent care situation, the amount you elect is up to you:

- For the 2015 plan year, you may contribute a minimum of \$250 to a maximum of \$2,500 to the HCSA
- You may contribute up to \$5,000 to the DCAP

The IRS places strict guidelines on these contributions, so you should estimate your FSA pre-tax contributions carefully. Because of the tax benefits of FSAs, the IRS imposes a strict “use-it-or-lose-it” rule, which means money left in a pre-tax account at year end does not roll over and is forfeited.

**Note:** The IRS provides a 2 ½ month “grace period” at the end of the plan year in which participants can access unused contributions from the previous year’s FSA programs for qualified expenses incurred through March 15th of the following year. Claims must be submitted for processing no later than April 15th of the following year.

**If these apply to you, enrolling in an FSA can help save you money:**

### Health Care Spending Account:

If you or your dependents:

- Have co-pays, co-insurance or deductibles for health, prescription drugs or vision plans.
- Wear glasses or contact lenses.
- Receive orthodontia treatments, such as braces, or have dental expenses not covered by your dental insurance.

### Dependent Care Assistance Program:

If you (and your spouse, if married) are working or in school and:

- Your dependent children are under age 13, and attend day care, after-school care, or summer day camp.
- You provide care for a person (of any age) whom you claim as your dependent on your federal income tax return and who is mentally or physically incapable of caring for himself or herself.

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[www.asiflex.com/gic](http://www.asiflex.com/gic)  
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[www.mass.gov/gic/fsa](http://www.mass.gov/gic/fsa)  
for a list of eligible  
HCSA and DCAP  
expenses.